The commission said the examiner had "too strongly" emphasized the impact of ABC's predicted losses of prime-time homes and of revenues.

The examiner had concluded that ABC would lose 20,000 prime-time homes with a consequent revenue loss of $900,000. But the commission said that estimate was based on a UHF conversion rate of 66%, when more recent ARB reports (November 1969 and February-March 1970) put the conversion rate as high as 84%, which could be translated into a loss to ABC of 22,500 prime-time homes and a loss of $687,500 in revenue.

The loss of 22,500 prime-time homes in San Diego, out of the network's national average delivery of 12,960,000 prime-time homes, the commission said, "is minimal, constituting only about two tenths of 1% of ABC's national television audience."

The examiner had found that the UHF conversion rate was the overriding argument against a transfer of ABC's affiliation. Absent that, he found arguments in favor of the shift to a U.S. facility.

The examiner had concluded that KCST-TV's coverage of area and population exceeded that of XETV, and that it could provide an effective signal to the San Diego area for ABC programming, that ABC programs could be made available to almost as many homes through KCST-TV as through the Mexican station, and that, because of XETV's programming practices and lack of local facilities, an ABC affiliate in San Diego would better serve the community.

The commission also held that the examiner erred when he held that there was insufficient evidence to conclude that a grant of ABC's application would adversely affect the competitive relationship between the UHF and VHF stations in the market. The commission said that a grant would adversely affect VHF-UHF competition in the market, and conversely, that UHF television would be strengthened if ABC affiliated with KCST-TV.

XETV had questioned the commission's authority, under the Communications Act, to pass on what XETV says is essentially a network-affiliation matter. The commission said its reading of the legislative history of the section of the act related to transmission to a foreign country for broadcast into the U.S. supports its position that such activity must be subjected to a public-interest test.

The commission gave ABC until midnight July 31 to terminate its affiliation with XETV. However, if rehearing or judicial review is sought, ABC's authority will run until 30 days after final disposition of the litigation.

Closing fast

The parties to a broadcast-station sale that the Justice Department two weeks ago sought to block had consummated the transaction about two weeks earlier, it was learned last week.

However, FCC officials said that the owners of KJCF(AM) Festus, Mo., and its purchasers, James W. Higgins and Harold L. Wright, closed the sale on May 12 "at their own peril."

The commission approved the $325,000 transaction on April 19, but has 90 days from that date to reconsider its action.

Justice urged the commission to stay the closing (which the contract said was scheduled for May 30) and to reconsider its approval, on grounds that the sale would have serious anticompetitive consequences. The station is the only broadcast outlet in Festus, and Mr. Wright is principal owner and editor and publisher of the town's only daily newspaper.